

Recording Revenue and Other Cash Receipts

Procedure number 301 provides detailed information on various issues related to revenues and the account numbers to be used for all financial resources. This section deals with the procedures for recording the revenues and other cash receipts.

Source documents for posting revenues are either apportionment notices from the county superintendent of schools for deposits made directly to the county treasury or copies of receipts for moneys received directly by the LEA.

Shown below is an example of an apportionment notice from the county superintendent of schools.

Apportionment Notice

County of _____		
To _____ School District		
This notice certifies that the revenue shown below has been received and has been placed to the credit of your district on _____.		
Date _____		
8011	Principal Apportionment/State Aid—Current Year	\$ 62,300.00
8041	Secured Roll Taxes	129,370.00
8042	Unsecured Roll Taxes	568.00
Total Revenue		\$192,238.00

Each of the items of actual revenue should be accounted for separately so that they may be compared with revenue estimates. This separate accounting is accomplished by posting receipts to the Revenue Ledger. The total from any given apportionment notice is posted to the General Ledger, and individual items are posted to the subsidiary Revenue Ledger.

Preparing the journal entry for revenue deposits made directly in the county treasury. The journal entry to record revenue receipts lists the General Ledger and subsidiary ledger accounts and the amounts for each, as shown in the following example:

<i>Date</i>	<i>Account</i>	<i>Debit</i>	<i>Credit</i>
7-31-92	9110 Cash in County Treasury	\$192,238.00	
	9840 Revenue		\$192,238.00
Account Subsidiary Revenue Ledger			
8011	Principal Apportionment—Current Year	\$62,300.00	
8041	Secured Roll Taxes	129,370.00	
8042	Unsecured Roll Taxes	<u>568.00</u>	
		\$192,238.00	

The subsidiary Revenue Ledger is posted from the journal entry in a manner similar to that used for posting estimated revenue. Each account is posted to show, in the “Amounts received” column, the amount that has been carried in the journal entry, as shown in the following example:

Revenue Ledger

Account 8042

Unsecured Roll Taxes

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<i>Date</i>	<i>Reference</i>	<i>Estimated revenue</i>	<i>Amounts received</i>	<i>Total received to date</i>	<i>Estimated amount to be received</i>
7-1-92	J2	\$2,700.00			\$2,700.00
7-31-92	J_		568.00	\$568.00	2,132.00

Revenue Ledger

Account 8011

Principal Apportionment—Current Year

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<i>Date</i>	<i>Reference</i>	<i>Estimated revenue</i>	<i>Amounts received</i>	<i>Total received to date</i>	<i>Estimated amount to be received</i>
7-1-92	J2	\$277,528.00			\$277,528.00
7-31-92	J_		62,300.00	62,300.00	\$215,228.00

A summary of receipts issued for cash received directly by the LEA serves as the basis for preparing the journal entry to record this type of revenue and other cash receipts. If this summary is a formal record, it might look like the example of a cash receipts journal that appears on the next page.

Cash Receipts Journal

July 1992

		Current revenue		Abatements of expenditure		General Ledger	
Date	Description	Account	Amount	Account	Amount	Account	Amount
7-3-92	Receipt 6801 Insurance claim			6400	xxxx		
	Receipt 6802 PL 81-874 payment	8110	xxxx				
	Receipt 6803 Sale of typewriter	8631	xxxx				
	Receipt 6804 Gym rental	8650	xxxx				
	Receipt 6805 Woodshop supplies			4300	xxxx		
	Receipt 6806 Art class supplies			4300	xxxx		
	Receipt 6807 Lost workbook			4300	xxxx		
	Receipt 6808 Library fine	8699	xxxx				
	Totals		xxxx		xxxx		

Preparing the journal entry to record cash received directly by the LEA. The journal entry to record actual revenues and other cash received directly by the LEA lists the General Ledger and subsidiary ledger accounts and the amounts for each, as shown in the following example:

Date	Account	Debit	Credit
7-31-92	9110 Cash in County Treasury	xxxx	
	9840 Revenue		xxxx
	9850 Expenditures		xxxx
Account Subsidiary Revenue Ledger			
	8110 Maintenance and Operations		xxxx
	8631 Sale of Equipment and Supplies		xxxx
	8650 Rentals		xxxx
	8699 Other Local Revenue		xxxx
Account Subsidiary Appropriation Ledger			
	4300 Instructional Materials and Supplies		xxxx
	6400 Equipment		xxxx
To record receipt numbers 6801—6808			

The General Ledger is posted in the usual manner. The subsidiary Revenue Ledger is posted in the same manner as that illustrated for revenue deposits made directly in the county treasury.

The subsidiary Appropriation Ledger is posted in the same manner as that shown in the following example:

Appropriation Ledger

Account 4300

Instructional Materials and Supplies

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<i>Date</i>	<i>Refer- ence</i>	<i>Appropriation</i>	<i>Encumbrances</i>	<i>Encumbered to date</i>	<i>Expended</i>	<i>Expended to date</i>	<i>Unencum- bered balance</i>
7-31-92			xxxx	xxxx	xxxx	xxxx	xxxx

Appropriation Ledger

Account 6400

Equipment

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<i>Date</i>	<i>Refer- ence</i>	<i>Appropriation</i>	<i>Encumbrances</i>	<i>Encumbered to date</i>	<i>Expended</i>	<i>Expended to date</i>	<i>Unencum- bered balance</i>
7-31-92			xxxx	xxxx	xxxx	xxxx	xxxx